



State of North Carolina
Office of the Governor

For Release: **IMMEDIATE**
Date: August 19, 2004

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GOV. EASLEY SEEKS FEDERAL ACTION TO PROTECT N.C. JOBS

RALEIGH— Gov. Mike Easley has called on the Bush administration to take a more aggressive stance in imposing textile safeguards on imports from China of cotton, wool and man-made fiber socks. In a letter sent to the Chairman of the Committee for Implementation of Textile Agreements Jim Leonard this week, Easley urged safeguard action that limits the growth in Chinese imports to protect N.C. jobs by giving N.C. manufacturers time to enhance their capacity for production and the development of new markets. Easley also sent the letter to other elected officials to encourage them to support safeguard measures. Since 2001, more than 2,700 sock production jobs have been lost in North Carolina.

The text of Easley's letter to Leonard follows:

"On behalf of the hard-working families of North Carolina, I am requesting swift action by the Committee for Implementation of Textile Agreements to impose textile safeguards on imports from China of cotton, wool and man-made fiber socks. This action is necessary to stem an unfair surge in sock imports from China, which threatens to eliminate the United States' sock industry and many of its suppliers.

"If given a level playing field, North Carolina workers can compete with anyone in the world. Unfortunately, because of unfair trade policies, our state's manufacturing businesses and workers do not have a level playing field with China today. North Carolina's traditional manufacturing industries have lost more than 50,000 jobs since 2001, and North Carolina communities across the state have suffered.

"By manipulating its currency and unfairly subsidizing its manufacturers, China has flooded the global market with cheap sock, hosiery and other textile products. Sock imports from China have skyrocketed from less than one million dozen pair in 2001 to 22 million dozen pair in 2003. China's share of the United States sock import market has likewise ballooned from about one percent to 15 percent in the same time frame, and has reached 21 percent in the first quarter of this year.

"During this time, employment in the U.S. sock industry has declined more than 25 percent from 21,200 to 16,000. Since 2001, more than 2,700 sock production jobs have been lost here in North Carolina and five sock manufacturing plants have been forced out of business in Hickory, N.C., alone (population 38,604). These numbers do not include job losses incurred by suppliers that have suffered as a result of declines in the sock industry. Yarn manufacturers, for example, have lost more than 5,000 jobs in North Carolina since 2001.